

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 852 - HB 1146

March 3, 2019

SUMMARY OF BILL: Increases, from one to two, the number of Disabled Veteran and Purple Heart license plates that may be issued, free of charge, to qualified applicants.

ESTIMATED FISCAL IMPACT:

Decrease State Revenue – \$146,200

Assumptions:

- Pursuant to Tenn. Code Ann. § 55-4-204(c) military cultural plates shall be issued upon the payment of the regular registration fee and a fee equal to the cost of actually designing and manufacturing the plates.
- Currently, pursuant to Tenn. Code Ann. § 55-4-207, the first Purple Heart license plate is free of charge to qualified applicants and one additional Purple Heart license plate may be attained by such qualified applicants upon payment of the regular registration fee for plates along with payment of the registration fee pursuant to Tenn. Code Ann. § 55-4-201(c)(1).
- Currently, pursuant to Tenn. Code Ann. § 55-4-256, the first disabled veteran license plate is free of charge to qualified applicants and one additional plate may be attained by such qualified applicants upon payment of the regular registrations fee for plates and payment of one-half of the fee pursuant to Tenn. Code Ann. § 55-4-201(c)(1).
- Providing qualified applicants with a second plate, free of charge, will result in a decrease in state revenue.
- According to the Department of Revenue (DOR), the current inventory of disabled veteran and Purple Heart registrations for a second plate are as follows:
 - Purple Heart passenger vehicle: 370;
 - Purple Heart motorcycle: 31;
 - Disabled veteran passenger vehicle: 3,867; and
 - Disable veteran motorcycle: 192.
- These plates will all be issued to qualified applicants free of charge.
- The registration fee for passenger vehicle is \$26.50 and \$19.50 for a motorcycle.
- A recurring decrease in state revenue of \$116,629 $[(370 \times \$26.50) + (31 \times \$19.50) + (3,867 \times \$26.50) + (192 \times \$19.50)]$.
- According to the Department of Revenue, based on the number of registrations over the past two years, the average increase in registrations for each plate is estimated to be as follows:

- Purple Heart passenger vehicle: 70;
 - Purple Heart motorcycle: 10;
 - Disabled veteran passenger vehicle: 1,000; and
 - Disable veteran motorcycle: 50.
- A recurring decrease in state revenue of \$29,525 $[(70 \times \$26.50) + (10 \times \$19.50) + (1,000 \times \$26.50) + (50 \times \$19.50)]$.
- A total recurring decrease in state revenue of \$146,154 $(\$116,629 + \$29,525)$.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

/jdb